<u>SB-362</u> Submitted on: 2/5/2019 10:06:29 PM

Testimony for HOU on 2/8/2019 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeff Gilbreath	Testifying for Hawaiian Community Assets	Oppose	No

Comments:

Our organization opposes this bill which would set a dangerous precendence of the State limiting the power of Counties to engage in policy solutions to support the development of affordable housing and disregards the critical role Counties must play in using policy tools to make housing affordable for its residents and in a manner that accounts for their unique needs.



TESTIMONY TO THE SENATE COMMITTEES ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS, AND HOUSING State Capitol, Conference Room 225 415 South Beretania Street 2:45 PM

February 8, 2019

RE: SENATE BILL NO. 362, RELATING TO INCLUSIONARY ZONING

Chairs Nishihara and Chang, Vice Chairs Wakai and Kanuha, and members of the committees:

My name is Gladys Quinto-Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii is in <u>strong support</u> of S.B. 362, which proposes to amend Chapter 46-4 HRS by adding a section that prohibits any law, ordinance, or rule from imposing an inclusionary zoning requirement on housing offered exclusively for sale in perpetuity to buyers who are residents of the State, are owner-occupants, and do not own any other real property.

The bill defines "inclusionary zoning requirement" as any requirement to set aside a fraction of a housing development to be sold at below market prices.

We have consistently supported efforts to "incentivize" the production of more housing units at all price points. Research has shown that mandating the production of below-market units discourages the production of workforce housing, or 100% to 140% of area median income (AMI). Incentives will encourage more developers to build within this range, which is the market with the highest demand of qualified buyers.

We are in strong support of S.B. 362 and appreciate the opportunity provide comments.

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